



## CASE STUDY

# Growth's in the mail

Mail makes an impact and helps customers feel valued, according to fast-growing mail order business Bright Life. By transforming its popular print catalogue to a larger high-quality format, the business has seen exponential growth across online and physical channels with its loyal customer base of older Australians.

### Key points:



Bright Life prints and mails around a million catalogues every year to a targeted customer base of senior Australians.



After improving the catalogue quality and format in late 2019, the business achieved 50% increase in orders via its call centre, return coupon and eCommerce site channels.



Mail continues to be the key driver behind Bright Life's orders, by driving traffic to its website – and it's a core part of the mail order business' enduring relationship with Australia Post.

Every four-to-six weeks, Bright Life's customers receive a high quality, 76-page catalogue in the mail. Although the catalogue has successfully delivered 100% of orders for Bright Life over the last 20 years, it has undergone a recent transformation. In late 2019, the company moved from a 40-page quarto sized 'leaflet' to a more visually engaging, A4-sized 'big book' with twice the product range.

The impact on sales was immediate.

**“After sending our first larger-format catalogue, in time for Christmas 2019, we increased sales by 20%,” says Bright Life Founder Bean Kan. “By November 2020, our sales were up 50% year on year.”**

Bean started Bright Life in 1998 from his spare room, while completing his computer engineering degree at university. A former employer suggested he start up a US-style mail order company for their China-sourced products, and his 'part-time job' quickly evolved into a full-time, fast-growing concern.

“We put some ads into magazines, and within a year built a database of 20,000 prospective customers,” he recalls.

Bean partnered with Australia Post from the very beginning and was an early adopter of many of its small business services – from outsourced fulfilment and call centre operations to eParcel deliveries. Not to mention, delivering around a million catalogues every year.



Australia Post

Bean and his team use print magazines as a customer acquisition strategy, inserting smaller-format catalogues into carefully targeted media. And he's quick to distinguish between print and digital channels in his business.

**“Our business is ‘old school’ in that 100% of traffic is driven through print media,” he says. “Without the catalogue, no one would visit the website, or call to place an order, or return a coupon by post. Our online platform is another convenient way for customers to shop after receiving our catalogues.”**

### Making an impact with mail

Bright Life's deep understanding of its target customer underpins this strategy. “Our customers are very much a ‘seniors market,’” says Bright Life's Chief Operating Officer Eddie Skewes. “Our products are designed for the needs of retirees: useful products for their health, or to help them out around the home. And they have more time to sit back with a cup of tea and flick through our catalogue.”

Research conducted by Accenture on behalf of Australia Post found mail still makes an impact, and has a unique place in the home.<sup>1</sup> 81% of survey respondents said they open and read mail immediately and have a dedicated place to keep mail in the home, and 74% give it their complete attention. More than half of the 81% share it with other people in their household.

The same study found 62% of 18-34 year olds feel important when they receive mail – compared with 35% of those aged over 35. And almost half (46%) of Millennials say they've made a purchase as a direct result of being sent mail.<sup>1</sup>

In the US, Harvard Business Review analysis also found evidence that Millennials are interested in receiving catalogues in the mail.<sup>2</sup> Across all demographics, response rates from catalogues increased by 170% between 2004 and 2018, and it noted the top-of-mind awareness that comes from having a physical product lingering in consumers' homes.

Accenture's Australian study confirms the role mail plays in driving online orders for eCommerce businesses. 43% of those surveyed had made a purchase as a direct result of receiving mail – and nearly three-quarters (74%) had purchased online<sup>1</sup>.

Bean says Bright Life has certainly seen a shift towards online orders, as older Australians become more comfortable shopping online and using their credit card details. “As a percentage of total orders, online is growing every year. But we have also seen about 10% growth in call centre orders too, because they also like to have a chat!”

### Continuing to invest in a better experience

By investing in a higher quality, more engaging catalogue, Bean says he has acquired more customers and increased the average order value to around \$100 - both contributing to a growth revenue by 50%.

“The larger format has also made it easier to read for seniors, with larger text and images,” says Eddie. The regular catalogue has a fresh product range and theme every time it hits the mail box – from ‘healthy living’ or ‘spring gardening’ to Mother's Day, it's always relevant to the reader's needs.

“Even though the costs are higher, the investment has certainly paid off,” says Eddie.

Behind the scenes, Bean's busy warehouse in Warriewood on Sydney's Northern Beaches, is equipped with the technology and people to deliver

on its customer promise. He says he's doubled his staff in recent years, including additional fulfilment and call centre staff as orders continue to grow.

Bright Life was also one of the first small businesses to fully integrate its system with Australia Post's via APIs.

“This means our terminals talk directly to Australia Post's. As soon as our warehouse picks, packs and scans an order, it's logged into Australia Post's system and we have the same unique identifier,” he explains.

And he's continuing to adopt new services to improve customer experience.

**“This month, we're adding the option to deliver to Australia Post parcel lockers,” he says. It's just one more way he can make it convenient and safe for his loyal customers to shop from the comfort of their own home.**



# 81%

**of Australian consumers will open mail and read it immediately.<sup>1</sup>**



# 43%

**of people surveyed made a purchase as a direct result of receiving mail.<sup>1</sup>**

1 Mail's role in the digital age, Re-evaluating the role of mail in the multi-channel communications mix Accenture, 2020

2 Why Catalogues Are Making a Comeback, Jonathan Z. Zhang, HBR, February 2020

This information is provided for general information purposes only and is not intended to be specific advice for your business needs.



# Australia Post